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DATE: 05/11/92                      SALES INFORMATION SYSTEM                      TIME: 13:33  
SUBJECT: WAKEFERN FOOD CORPORATION                      SENDER: NICK KURUC 1240  
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TO: ALL DIVISIONS WITH SHOP RITE STORES                      CC: ALL SALES PERSONNEL

RE: WAKEFERN FOOD CORPORATION (670380)

DEAR MANAGERS:

WAKEFERN FOOD CORPORATION HAS NOT ACCEPTED WINSTON SELECT DUE TO THE FOLLOWING RATIONALE:

- ALTHOUGH THE DIRECT ACCOUNT ALLOCATION ALLOWANCE WAS THE HIGHEST OF ANY RECENTLY INTRODUCED CIGARETTE ITEMS, WAKEFERN MANAGEMENT FELT THAT RJR'S RETAIL DISTRIBUTION ALLOWANCE WAS NOT COMPETITIVE WITH PHILIP MORRIS ALLOWANCE OF 1 FREE CARTON WITH PURCHASE OF 10. WAKEFERN'S MANAGEMENT HAS DECIDED THAT ALL FUTURE INTRODUCTIONS SHOULD MATCH THE PHILIP MORRIS OFFER. OF COURSE, WE CAN NOT MEET THIS REQUEST.

NEEDLESS, TO SAY THE ABOVE DECISION HAS COST WAKEFERN NOT ONLY THE INITIAL ALLOCATION MONIES, BUT HAS ALSO NEGATED PARTICIPATION IN THE 1ST HALF WINNERS PROGRAM PROMOTION/DISTRIBUTION SECTION.

UNTIL SUCH TIME AS WAKEFERN CHANGES ITS TACT, I'M ASKING THAT EACH OF YOU MAKE EVERY EFFORT TO OBTAIN DISTRIBUTION OF WINSTON SELECT THROUGH WAKEFERN'S NETWORK OF OUTSIDE SUPPLIERS. ALTHOUGH, THIS IS A BACK DOOR APPROACH TO DOING BUSINESS, I DON'T BELIEVE THAT WE HAVE ANY OTHER CHOICE AT THIS CRUCIAL TIME IN THE INTRODUCTION.

IF YOU HAVE ANY QUESTIONS REGARDING THE ABOVE, PLEASE CALL ME.

REGARDS,  
NICK  
G. N. KURUC, JR.

GK  
M-2

D.M.                      15/10/92  
T&D.                      15/11/92  
S.R.M.                      1/1/1  
S.A.M.                      15/11/92

\*\*\* END OF MESSAGE \*\*\*

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